A

ASPECT SYNERGY SDN BHD

v.

BANYAN TREE HOLDINGS LTD

B

HIGH COURT MALAYA, KUALA LUMPUR
RAMLY ALI J
[SUIT NO: D5(IP)-24-395-2007]
21 NOVEMBER 2008

C ***TRADE MARKS:*** *Non-infringement - Declaration of - Application for - Whether ASSB's mark 'Taman Sri Banyan' similar to BTHL's mark 'Banyan Tree' - Whether visual comparison showed the two marks distinguishable - 'Banyan' a generic term - Whether BTHL has proprietary right over the word 'Banyan' - Whether 'Banyan' per se* D *distinctive of BTHL and secondary meaning acquired - Whether ASSB and BTHL engaged in different industries - Goodwill and reputation - Whether proved - Whether BTHL's mark well known in Malaysia - Criteria in reg. 13B of Trade Mark Regulations 1997 - Whether fulfilled - Whether BTHL obtained permanent injunction - Whether ASSB would* E *suffer hardship, severe losses and prejudice - Whether declaration of non-infringement should be granted in favour of ASSB*

TRADE MARKS: *Passing off - Allegation of - Whether proved - Whether ASSB's mark 'Taman Sri Banyan' similar to BTHL's mark* F *'Banyan Tree' - Whether visual comparison showed the two marks distinguishable - 'Banyan' a generic term - Whether BTHL has proprietary right over the word 'Banyan' - Whether 'Banyan' per se distinctive of BTHL and secondary meaning acquired - Whether ASSB and BTHL engaged in different industries - Goodwill and reputation -* G *Whether proved - Whether BTHL's mark well known in Malaysia - Criteria in reg. 13B of Trade Mark Regulations 1997 - Whether fulfilled - Whether surrounding circumstances showed passing off - Whether BTHL obtained permanent injunction - Whether ASSB would suffer hardship, severe losses and prejudice - Whether BTHL's counterclaim for* H *passing off and trade mark infringement dismissed*

Aspect Synergy Sdn Bhd (ASSB), a wholly owned subsidiary of OSK Property, applied for a declaration of non-infringement of trademark *via* its originating summons. Banyan Tree Holding Ltd (BTHL) counterclaimed against ASSB and OSK Property Holding I Bhd (OSK Property) for passing off and trade mark infringement

due to the use of ASSB's mark 'Taman Sri Banyan, Country Heights and device ('ASSB's mark'). BTHL contended that ASSB's mark was similar to BTHL's mark, "Banyan Tree & device ('BTHL's mark'). OSK Property and its subsidiaries (OSK Property Group') are reputable property developers whose name is no stranger in the property sector in Malaysia. In 2004, ASSB commenced preparation for a high end residential development project, a low density gated community of luxurious homes located in a premier location, Country Heights Kajang. As part of ASSB's marketing strategies in the promotions of the projects, ASSB created a mark composing of the representation of a 'Banyan tree in colour' with the words 'Taman Sri Banyan' to denote the name of the project, and the words 'Country Heights' to denote the location of the project (ASSB's mark). ASSB had made the necessary application to Majlis Perbandaran Kajang for approval of the name 'Taman Sri Banyan' which was approved. In May 2006, ASSB officially launched the project and the residential area. In building the goodwill and reputation of ASSB's mark, ASSB vigorously used ASSB's mark in an extensive manner including by way of advertisement in magazines, newspapers and websites, organizing exhibitions, distributing free gifts, flyers, brochures, pamphlets and invitation cards. ASSB claimed to have acquired a propriety right over ASSB's mark in relation to the housing development industry and therefore ASSB's mark had become distinctive of ASSB and of no other. On 11 September 2007, ASSB received a letter of cease and desist from BTHL's solicitors alleging infringement of trademark and passing off of its mark, 'BANYAN TREE & devise' (BTHL's mark') and threatened to commence legal proceedings against ASSB. Due to the imminent and immediate threat that BTHL would carry out its threat against ASSB which would cause ASSB substantial loss and damage, ASSB filed the present originating summons for a declaration of non-infringement.

Subsequently BTHL filed a counterclaim against ASSB and its holding company OSK Property for passing off and asked for a permanent injunction as one of the reliefs. BTHL, a company incorporated in Singapore operates a chain of well known and luxurious hotels known as the Banyan Tree Hotel & Resorts in various locations around the world. BTHL was the proprietor of the 'Banyan Tree' marks, which was first used by Banyan Tree

Resorts Limited ("BTRL') since 1991. As at 31 January 2008, BTHL (and its predecessors) had filed a total of 143 applications for the said 'Banyan Tree' marks and the 'Banyan Tree Private Collection' mark worldwide, including Malaysia and a substantial number of the applications have matured to be registered in the respective countries. BTHL also entered into contracts with travel agents in Malaysia to market and promote the Banyan Tree Hotel & Resorts in Malaysia and have been advertising and promoting its services bearing the said 'Banyan Tree' mark extensively in Malaysia. BTHL claimed that as a result of extensive marketing and promotion in Malaysia and other countries, the said 'Banyan Tree' mark have become well known to the Malaysian public in general and worldwide in relation to luxury hotels and resorts as well as real estate and property design and development. In view of the above, BTHL claimed that it had substantial reputation and goodwill in the said 'Banyan Tree' mark in respect of its hotels, resorts, spas and real estate design and development services and that the said 'Banyan Tree' mark were well known marks in Malaysia in relation to the aforesaid services.

Held (granting a declaration of non-infringement as prayed by ASSB; dismissing BTHL's counter claim):

(1) BTHL's mark consisted of the word 'Banyan Tree & device' ('BTHL's mark'). It was registered in certain classes of goods in Malaysia including hotels, resorts and spas. It was not a registered proprietor of any trade mark for 'housing development' covered under Class 37 of the classification of goods. ASSB's mark on the other hand consisted of the words 'Taman Sri Banyan, Country Heights & device' used for 'housing development' in particular for a development project that ASSB was undertaking in Country Heights, Kajang. A visual comparison between ASSB's mark and BTHL's mark in the present case clearly showed that the two marks were distinguishable *ie*, ASSB's mark has the illustration of a realistic Banyan tree as the device whereas BTHL's device is a pattern which is abstract in nature. The consumers would not be confused or deceived as they would be fully aware of the differences. (paras 44, 45, 48 & 50)

(2) The word 'Banyan' is a generic term that denotes the name of a type of tree. BTHL does not have proprietary right over the word 'Banyan' as it was a generic word. BTHL could not claim monopoly on the word. Further, ASSB and BTHL are engaged in very different industries in Malaysia. ASSB is in the residential housing development industry while BTHL is mainly in the hotel and resorts industry. The name 'Taman Sri Banyan Country Heights' is used by ASSB as the name of the residential area in which it was currently undertaking a housing development project. Thus, it was in a different market altogether. Further, none of the documents exhibited by BTHL showed that BTHL had used its mark pertaining to the industry of housing development in Malaysia. On the other hand, ASSH had been using its mark to market their housing project since 2006. Thus, BTHL did not have any goodwill and reputation in Malaysia in the housing development industry. The manner of use of the marks in the marketplace, the channels of distribution and the targeted market of ASSB and BTHL were also very different. Therefore, there was no likelihood of confusion or deception in the public. (paras 51, 52, 59, 64, 66, 68, 72 & 73)

(3) ASSB used the name 'Taman Sri Banyan Country Heights' as the name of the housing area in Kajang. The use of the mark was to denote this project and this project alone. ASSB's target market were house owners who want to purchase banglo or semi detached houses within a gated community in a residential area However, BTHL's own documents would show its purported involvement in the property sector was mainly designing hotels or resorts or investment schemes where the customers were likely to stay there temporarily for a vacation. ASSB and BTHL goods were not in direct competition. The surrounding circumstances showed there was no likelihood of confusion that would arise from the use of ASSB's mark. Therefore, the question of ASSB's mark infringing BTHL's mark did not arise. (paras 74, 75 & 77)

(4) BTHL had failed to fulfil the first criteria required to prove passing off. On the contrary, it was ASSB that possessed goodwill and reputation in the industry of housing development. Secondly, BTHL had failed to show any

A evidence that there had been incidence where confusion or deception arose among members of the public that the ASSB's housing development project was done by BTHL or any company associated with it. ASSB's mark was created independently by ASSB without any reference to BTHL. B ASSB had given good reasons as to how they coined the mark. ASSB had always used the names of trees and plants in their previous development. Further, ASSB's promotional materials contained the mark 'OSK' which showed that ASSB was relying on the goodwill and reputation of the OSK C Property Group of Companies and not taking advantage of BTHL's goodwill as claimed. There was also no incidence where the general public believed that ASSB was in some way connected to or associated with BTHL as a result of the use of the ASSB's mark. There was no deception on the part of D the ASSB. Thus there would also be no damage or likelihood of damage on the part of BTHL with the use of ASSB's mark especially when ASSB and BTHL have different fields of activities. All the surrounding circumstances showed there was no passing off. (para 87 & 88)

E

(5) Any secondary meaning that BTHL may have acquired was in respect of the mark as a whole (the word 'Banyan' together with the device) and not the word 'Banyan' *per se*. At no time did BTHL claim that the word 'Banyan' *per se* had a F secondary meaning. BTHL's own documentary evidence showed BTHL had always used BTHL's mark as a whole and BTHL had never used the word 'Banyan' *per se* in the course of its trade to denote the source of its goods or services. As such, the word 'Banyan' *per se* was not distinctive of BTHL G and had not acquired any secondary meaning. (para 91)

(6) BTHL's mark was not a well known mark in Malaysia as they failed to fulfil the criteria set out in reg. 13B of the Trade Mark Regulations 1997. BTHL had not produced any H evidence or survey reports to show the extent of recognition the BTHL's mark had in Malaysia. There was no record of successful enforcement of rights produced, neither did BTHL provide any information as to the value associated with the BTHL's mark other than producing some brochures and I agreements. BTHL was not entitled to obtain the permanent

injunction that it had prayed for. If the injunction were granted, ASSB would suffer hardship, severe losses and much prejudice. (paras 97, 98 & 102)

(7) A declaration of non-infringement should be granted in favour of ASSB. The declaration would only clarify that ASSB's mark did not infringe BTHL's mark. It did not give ASSB any additional rights. There was no passing off or trade mark infringement by ASSB and OSK Property with the use of ASSB's mark. (paras 105 & 106)

Case(s) referred to:

Amanresorts Limited & Anor v. Novelty Ptd Ltd [2007] SGHC 201 ***(refd)***
Bata Ltd v. Sim Ah Ba & Ors [2006] 3 CLJ 393 CA ***(refd)***
Cellular Clothing Co Ltd v. Maxton & Murray [1989] AC 326 ***(refd)***
Consitex SA v. TCL Marketing Sdn Bhd [2008] 8 CLJ 444 HC ***(refd)***
Erven Warmink BV and Other v. J Townend & Sons (Hall) Ltd and Other [1979] 2 All ER 927 ***(refd)***
Lim Yew Sing v. Hummel International Sports & Leisure A/S [1996] 4 CLJ 784 CA ***(refd)***
McAlister & Co Ltd v. Pasuma (1960) Ltd & Ors [1961] 1 LNS 63 ***(refd)***
McLaren International Ltd v. Lim Yat Meen [2008] 1 CLJ 613 CA ***(refd)***
Meidi (M) Sdn Bhd v. Meidi-ya Co Ltd, Japan & Anor [2008] 1 CLJ 46 CA ***(refd)***
MI & M Corporation & Anor v. A Mohamed Ibrahim [1964] 1 LNS 105 ***(refd)***
Mun Loong Co Sdn Bhd v. Chai Tuck Kin [1982] CLJ 80; [1980] CLJ (Rep) 590 ***(refd)***
Office Cleaning Services Ltd v. Westminster Window & General Cleaners Ltd [1946] 63 RPC 39 ***(refd)***
Point Solutions Ltd v. Focus Business Solutions Ltd & Anor [2007] EWCA Civ 14 ***(refd)***
Re Pianotist Co's Application [1906] 23 RPC 774 ***(refd)***
Reckitt & Colman Products v. Borden Inc [1990] 1 All ER 873 ***(refd)***
Seet Chuan Seng & Anor v. Tee Yih Tia Food Manufacturing Pte Ltd [1994] 3 CLJ 7 SC ***(refd)***
Service Master (M) Sdn Bhd v. MHL Service Master Sdn Bhd & Anor [1998] 1 CLJ 459 HC ***(refd)***

Legislation referred to:

Trade Marks Act 1976, ss. 38, 70B(1)
Trade Mark Regulations 1997, reg. 13B

Trade Marks Act [Sing], s. 55

Other source(s) referred to:
Teo Bong Kwang, *Trade Mark Law and Practice in Malaysia*, pp 178, 288-289

For the plaintiffs - Cindy Goh Joo Seong; M/s Cheong & Ariff
For the defendant - BS Ong; M/s Shook Lin & Bok

Reported by Suhainah Wahiduddin

JUDGMENT

Ramly Ali J:

Introduction

[1] In this case, Aspect Synergy Sdn Bhd (ASSB) has applied for a declaration of non-infringement of trademark *via* its originating summons and Banyan Tree Holding Ltd. (BTHL) had counterclaimed against ASSB and OSK Property Holding Bhd (OSK Property) for passing off and trade mark infringement due to the use of ASSB's mark, 'Taman Sri Banyan, Country Heights and device ('ASSB's mark'). BTHL contended that ASSB's mark is similar to BTHL's mark, 'Banyan Tree & device' ('BTHL's mark').

The Parties

[2] ASSB and OSK Property Holdings Berhad are Malaysian companies. They are part of the OSK Group, a reputable group of companies in Malaysia. ASSB's nature of business is that of residential property development.

[3] BTHL is a Singapore company and its business is mainly management and development of resorts, hotels and spa. It does not have any resorts in Malaysia.

ASSB's Case

[4] ASSB is a wholly owned subsidiary of OSK Property, a public company listed on the Main Board of Bursa Malaysia. OSK Property is in turn the property arm and a direct subsidiary of OSK Holdings Berhad ('OSK Holdings'), which is also a public company listed on the Main Board of Bursa Malaysia since May 1991.

[5] OSK Property and its subsidiaries ('OSK Property Group') are reputable property developers whose name is no stranger in the property sector in Malaysia. To date, OSK Property Group's development projects located across Malaysia have a gross development value of over RM3 billion as can be seen from ASSB's listing of the gross development value of various projects under the OSK Property Group.

[6] Some of the OSK Property Group's major projects include, *inter alia*, the following up-market residential developments namely:

(a) Bandar Puteri Jaya & Hill Park in Sungai Petani, Kedah, with a gross development value of over RM2 billion ('Bandar Puteri Jaya Project');

(b) Mon't Jade in Seremban, with a gross development value of over RM180 million ('Mon't Jade Project');

(c) Seremban 3 in Seremban, with a gross development value of over RM46 million ('Seremban 3 Project');

(d) Taman Sri Banyan in Country Heights, Kajang, with a gross development value of over RM42 million.

(e) The OSK Property Group is also involved in the Sutera Damansara project to develop 100 acres of land in Sungai Buloh and they have recently acquired the Atria Shopping Centre for a purchase consideration of approximately RM75 million and also a piece of prime land in Jalan Yap Kwan Seng which is to be used for commercial purpose.

[7] In order to reflect the philosophy of building beautiful homes that blends into the natural environment, OSK Property Group has always used the names of trees and plants in almost all their developments, *inter alia*, such as follows:

(a) the use of pine trees in the mark for the Mon't Jade Project. The houses for the Mon't Jade Project bear names like "Tecoma", "Mahogany", "Alstonia" and "Gardenia";

(b) the houses for the Bandar Puteri Jaya Project bear names like "Sunflower", "Hibiscus", "Daffodil" and "Peony";

(c) the semi-detached house in the Seremban 3 Project is named "Lavender".

[8] The annual turnover of OSK Property Group for the period between 2003 to 2006 are as follows:

(a) 2003 – RM108,348,000;

(b) 2004 – RM74,314,000;

(c) 2005 – RM73,007,000;

(d) 2006 – RM68,917,134.

[9] The OSK Property Group has also won numerous awards including the following:

(a) In 2003, OSK Properties Sdn Bhd, won the state-organised landscaping competition in Kedah for the Bandar Puteri Jaya Project;

(b) OSK Properties Sdn Bhd was also listed in the Malaysia Book of Records for making the longest millipede lantern in April 2007.

[10] ASSB first purchased 5.4 acres of freehold land at Country Heights, Kajang sometime in the year 2004. ASSB then commence preparation for a high-end residential development project, which is a low-density gated community of luxurious homes located in a premier location – Country Heights, Kajang. The project comprises 10 units of semi-detached houses and 16 units of bungalows spread over the 5.4 acres of freehold land with a gross development value of RM42 million. The project is designed to offer the residents a unique living experience – not only in an exclusive place of elegance but one that blends into a natural environment. As at 30 November 2007, the total development costs that has been expended on the project by ASSB is approximately RM20,712,944.12.

[11] As part of ASSB's marketing strategies in the promotions of the projects, ASSB created a mark composing of the representation of a 'Banyan tree in colour' with the words "Taman Sri Banyan" to denote the name of the project, and the words "Country Heights" to denote the location of the project ('ASSB's mark').

[12] ASSB has made the necessary application to Majlis Perbandaran Kajang for the approval of the name "Taman Sri Banyan" *vide* a letter dated 19 July 2005 and Majlis Perbandaran Kajang has in fact approved the name "Taman Seri Banyan" for the residential area on 7 December 2005.

[13] In May 2006, ASSB officially launched the project and the residential area. Since its launch, the project was featured in a number of prominent magazines such as "Prestige", "iProperty.com.my" and "The Edge".

[14] Majlis Perbandaran Kajang further approved the use of the name "Jalan Seri Banyan" and "Taman Seri Banyan" as the address for the project as seen from its letter of approval dated 29 October 2007.

[15] ASSB has also obtained a permit for advertisement and sale for "Taman Sri Banyan" and also the necessary developer's license from the Ministry of Housing.

[16] In building the goodwill and reputation of ASSB's mark, ASSB has vigorously used and continue to use ASSB's mark in an extensive manner including by way of advertisement in magazines, newspapers and websites, organising exhibitions, distributing free gifts, flyer, brochures, pamphlets and invitation cards as well as putting up buntings to promote the project as another quality high-end project from OSK Property Group.

[17] To date, ASSB has expended approximately RM738,999.37 on its advertising and promotional activities for the promotion of ASSB's mark.

[18] By reason of the foregoing use and the extensive sales and promotional activities, ASSB claims to have acquired substantial reputation and goodwill in respect of ASSB's mark and has caused ASSB's mark to become exclusively associated or identified with and referable to ASSB. ASSB also claims to have acquired a proprietary right over ASSB's mark in relation to the housing development industry and therefore ASSB's mark has become distinctive of ASSB and of no other.

[19] On 11 September 2007, ASSB received a letter of cease and desist from BTHL's solicitors alleging infringement of trademark and passing off of its mark, 'BANYAN TREE & device' ('BTHL's mark) and threatened to commence legal proceedings against ASSB. ASSB then replied to BTHL on 26 September 2007, *via* their previous solicitors denying ASSB's allegations.

[20] If BTHL carries out its threat to commence legal proceedings and obtain an injunction against ASSB, there is an imminent and immediate threat that ASSB will suffer the following damage, losses and prejudice:

(a) ASSB is left in a position of uncertainty in relation to the Project and therefore is facing difficulty in the planning of its future marketing and promotional activities for the project;

(b) a stumbling block to the project in which ASSB has invested huge amount of money into marketing and promotional activities;

(c) ASSB will have to resign or amend all the sale and purchase agreements already signed with purchasers earlier if ASSB changes the name of the housing development at this stage;

(d) this may also affect tie-ups made between ASSB and other companies and commercial banks in Malaysia such as Alliance Bank Malaysia Berhad, Southern Bank Berhad, CitiGold and OSK Holdings Berhad on the project;

(e) ASSB will also required to obtain approvals from all the relevant authorities again for the change of name of the housing development. There is also no certainty that the authorities would allow any change of name;

(f) it is estimated ASSB would have to spend an additional RM3 million to rebrand the entire housing development.

[21] Due to the imminent and immediate threat that BTHL will carry out its threat against ASSB which will cause ASSB substantial loss and damage, ASSB filed the present originating summons for a declaration of non-infringement.

[22] Subsequently, BTHL filed a counterclaim against ASSB and its holding company OSK Property for passing off and asked for a permanent injunction as one of the reliefs. The only involvement OSK Property has in the matter is that OSK Property has in its website details of the project.

Banyan Tree Holding Ltd's Case

[23] BTHL is a company incorporated in Singapore and is in the business of developing and managing hotels and real estate properties. BHTL develops, manages and operates a chain of well-known and luxurious hotels known as the Banyan Tree Hotel & Resorts in various locations around the world including in Phuket, Maldives, Indonesia, Republic of Seychelles, China and Bahrain.

[24] BTHL is the proprietor of the "Banyan Tree" marks. The said "Banyan Tree" mark was first used by Banyan Tree Resorts Limited ("BTRL") since 1991. BTHL had filed a total of 89 trade mark applications in 24 countries, including Malaysia, since 1991. On 18 April 2000, BTRL assigned the said "Banyan Tree" marks including all pending applications and/or registrations together with the goodwill of the business concerning the goods for which the said "Banyan Tree" mark are registered to Tropical Resorts Management Co. Ltd. ("TRMCL").

[25] On 22 May 2006, TRMCL assigned the said "Banyan Tree" marks including all pending application and/or registrations together with goodwill of the business concerning the goods for which the said "Banyan Tree" mark are registered to BTHL.

[26] As at 31 January 2008, BTHL (and its predecessors) had filed a total of 143 applications for the said "Banyan Tree" marks and the "Banyan Tree Private Collection" mark worldwide, including Malaysia, in Classes 35, 36, 37, 39, 41, 42, 43, 44 and 45 and a substantial number of the applications have matured to be registered in the respective countries.

[27] BTHL has been using the said "Banyan Tree" mark in relation to its luxury hotels and resorts around the world known as the Banyan Tree Hotel & Resorts and in real-estate and property design and development since 1994. BTHL has also been using the "Banyan Tree Private Collection" mark in respect of real-estate and property design and development since 2006.

[28] Each of the Banyan Tree Hotel & Resorts is designed to fit into its natural surroundings, using indigenous materials and reflecting the landscape and architecture of the individual destination. BTHL currently operates 8 resorts and spas around the world which uses the said "Banyan Tree" marks as part of its name and logo, namely:

(a) Banyan Tree Phuket, Thailand since 1994;

(b) Banyan Tree Maldives Vabbinfaru, Maldives since 1995;

(c) Banyan Tree Bintan, Indonesia since 1995;

(d) Banyan Tree Bangkok, Thailand since 2002;

(e) Banyan Tree Seychelles, Republic of Seychelles since 2002;

(f) Banyan Tree Ringha, China since 2005;

(g) Banyan Tree Lijiang, China since 2006; and

(h) Banyan Tree Desert Spa and Resort, Al Areen, Bahrain since 2007.

[29] BTHL will be opening more resorts and spa with the "Banyan Tree" mark in, *inter alia*, Mexico, Wes Indies, India, Morocco, Thailand, China, Vietnam, Greece and Oman in the next two to three years.

[30] BTHL's (and its predecessors') representatives from its offices in Bangkok and Singapore conduct regular sales trips to Malaysia to create, increase and/or maintain brand awareness amongst corporate clients and the general public in Malaysia, as well as to create and/or maintain business relationship with clients in Malaysia.

[31] BTHL and/or its subsidiary company also entered into contracts with travel agents in Malaysia to market and promote the Banyan Tree Hotel & Resorts in Malaysia.

[32] BTHL and/or its subsidiary company have been advertising and promoting its services bearing the said "Banyan Tree" mark extensively in Malaysia.

[33] BTHL's Hotels and Resorts bearing the said "Banyan Tree" mark have also been referred to and displayed in various articles, and/or featured prominently in advertisement and promotional materials in a number of local as well as international print and online publications such as The Star, New Straits Times, Berita Harian, Kosmo, AsiaMoney, Conde Nast Traveller, Architectural Digest, The Straits Times, Celebrated Living, Forbes Global and Hotels, all of which are widely circulated and easily available in Malaysia.

[34] BTHL has expended a large sum of money on extensive advertising and promotional activities in relation to the said "Banyan Tree" mark in Malaysia and other countries around the world. The amount spent on advertising and promotion of the said "Banyan Tree" marks from 2001-2007 is as follows:

2001 – SGD 440,318
2002 – SGD 840,521
2003 – SGD 114,508
2004 – SGD 521,312
2005 – SGD 375,551
2006 – SGD 615,064
2007 – SGD 798,322

[35] Total annual revenue generated from Malaysians visiting the Banyan Tree Hotel & Resorts from 1998-2007 are as follows:

1998 – USD 166,594
1999 – USD 251,112
2000 – USD 253,727
2001 – USD 352,446
2002 – USD 325,084
2003 – USD 340,634
2004 – USD 297,295
2005 – USD 166,594
2006 – USD 251,112
2007 – USD 253,727

[36] Total worldwide annual revenue generated by BTHL in relation to the services bearing the said "BANYAN TREE" marks from 2003-2007 is as follows:

2003 – USD 56,567,169

2004 – USD 52,873,734

2005 – USD 56,184,334

2006 – USD 91,229,548

2007 – USD 110,524,902

[37] BTHL claims that it has acquired substantial goodwill and reputation throughout the world in relation to real estate and property design and development. BTHL operates the "BANYAN TREE PRIVATE COLLECTION" and "BANYAN TREE RESIDENCES" projects in which customers buy leasehold unit(s) in the hotels developed and designed by BTHL and/or its subsidiary and leases the said unit(s) back to BTHL, and a fixed income or rental will be paid to the customers who will also enjoy other privileges.

[38] BTHL had also filed applications to register and have obtained registration for the "BANYAN TREE PRIVATE COLLECTION" mark in Classes 35, 36, 39, 43 and 45 in many countries around the world. Further, BTHL had filed applications to register the said mark in Class 37 for, *inter alia*, real-estate and property design and development in People's Republic of China, Mexico and Russia. BTHL had obtained registration for the mark in Mexico.

[39] BTHL claims that as a result of extensive marketing and promotion in Malaysia and other countries, the said "Banyan Tree" mark have become well-known to the Malaysian public in general and worldwide in relation to luxury hotels and resorts as well as real estate and property design and development.

[40] In view of the above, BTHL claims that it has substantial reputation and goodwill in the said "Banyan Tree" mark in respect of its hotels, resorts, spas and real estate design and development services and that the said "Banyan Tree" mark are well known marks in Malaysia in relation to the aforesaid services.

Infringement Of Trade Mark: Jurisdiction To Grant A Declaration Of Non-infringement

[41] The court has its inherent jurisdiction to grant a declaration of non-infringement of trade mark where it appears just to do so. In the case of *Point Solutions Ltd v. Focus Business Solutions Ltd & Anor* [2007] EWCA Civ 14, para 17, the Court of Appeal in England held:

> The absence of a statutory right to a negative declaration does not preclude the court from making such a declaration if satisfied, in all the circumstances, that it would be just to do so. It is open to the court, under its inherent jurisdiction, to consider whether there has been sufficient assertion of the right to trigger the exercise of the discretion to grant a declaration of nature sought …

[42] Trade mark infringement is governed by s. 38 of the Trade Marks Act 1976 which states as follows:

> A registered trade mark is infringed by a person who, not being the registered proprietor of the trade mark or registered user of the trade mark using by way of permitted use, uses a mark which is identical with it or so nearly resembling it as is likely to deceive or cause confusion in the course of trade in relation to goods or services in respect of which the trade mark is registered in such a manner as to render the use of the mark likely to be taken either:
>
> (a) as being use as a trade mark; …

[43] In the case of *Consitex SA. v. TCL Marketing Sdn Bhd* [2008] 8 CLJ 444 at p. 452, this court held:

> Based on s. 38 of the Act, to establish an action for trade mark infringement, the plaintiff would need to establish the following ingredients:
>
> (a) the defendant used a mark identical with or nearly resembling the registered trade mark as is likely to deceive or cause confusion;
>
> (b) the defendant is not authorized or licensed to use the registered trade mark;
>
> (c) the defendant is using the offending trade mark in the course of trade;

A (d) the defendant is using the offending trade mark in relation to goods in respect of which the trade mark is registered;

(e) the defendant uses the mark in such a manner as to render the use of the mark likely to be taken as being used as a trade mark.

B

Distinctions Between The Two Marks

[44] BTHL's mark consists of the word "BANYAN TREE & device" ('BTHL's mark'). It is registered in certain classes of good in Malaysia including hotels, resorts and spas, restaurants, etc. It is not a registered proprietor of any trade mark for 'housing development' which is covered under Class 37 of the Classification of Goods.

C

[45] ASSB's mark on the other hand consists of the words "TAMAN SRI BANYAN, COUNTRY HEIGHTS & device". This mark is used for 'housing development' in particular for a development project that ASSB is undertaking in Country Heights, Kajang.

D

E **[46]** Parker J in the well known case of *Re Pianotist Co's Application* [1906] 23 RPC 774 at p. 777 had laid down the test in determining whether a mark is 'likely to deceive or cause confusion' as follows:

F

> You must take the two words. You must judge them, both by their look and by their sound. You must consider the goods to which they are to be applied … In fact, you must consider all the surrounding circumstances; and you must further consider what is likely to happen if each of the trade marks is used in the normal way as a trade mark for the goods of the respective owners of the mark.

G

[47] In *Consitex SA* case *(supra)*, this court has laid down the following tests:

H (a) the marks as a whole must be compared;

(b) the first syllable of the trade marks is of importance;

(c) the ear as well as the eye must be considered;

I (d) the essential features of the trade marks must also be compared.

[48] A visual comparison between ASSB's mark and BTHL's mark in the present case clearly shows that the two marks are distinguishable. The distinctions are as stated below:

(a) the wordings used in both marks are different. ASSB's mark states 'TAMAN SRI BANYAN, COUNTRY HEIGHTS' whereas BTHL's mark states only 'BANYAN TREE';

(b) ASSB's mark is longer consisting of five words while BTHL's mark is shorter consisting of only two words;

(c) ASSB's mark has the letters 'T', 'S', 'B', 'C' and 'H' as the first letter in the words whereas BTHL's mark has the letters 'B' and 'T' as the first letter in the words;

(d) the words 'COUNTRY HEIGHTS' which stands out from ASSB's mark is not contained in any part of BTHL's mark;

(e) at the same time, the word 'TREE' which stands out from BTHL's mark is not contained in any part of ASSB's mark;

(f) aurally, the two marks are also very different. ASSB's mark has five words whereas BTHL's mark has two words;

(g) ASSB's mark has 8 syllables whereas BTHL's marks has only three syllables. It is obvious the pronunciation is totally different;

(h) overall, the 2 marks sound very different;

(i) the device used in the two marks are also different. ASSB's mark has the illustration of a realistic Banyan tree as the device whereas BTHL's device is a pattern which is abstract in nature;

(j) the device in ASSB's mark is green on colour whereas the device in BTHL's mark is black in colour.

[49] The only common feature between ASSB's mark and BTHL's mark is the word 'BANYAN'. Case law has laid down several examples where the court held that there was no trade mark infringement as seen in the case of *Consitex SA (supra)*, where it was held:

> … Even if there are any similarities, it is not sufficient to cause an action in trademark infringement. Compare the co-existence of COCA-COLA and PEPCI-COLA for carbonated drinks, NESCAFE and ALICAFE for coffee, POWER and SUPERPOWER for shoes, addax and DAKS for clothing in Malaysia.

[50] Based on the above, the court finds that the consumers will not be confused or deceived as they would be fully aware of the differences.

'BANYAN' – Generic Term

[51] The word 'BANYAN' is a generic term that denotes the name of a type of tree. BTHL has conceded that 'BANYAN' is the name of a tree. According to the New Shorter Oxford English Dictionary (by Lesley Brown), the word 'Banyan' means "An Indian fig tree".

[52] The court is of the view that BTHL does not have proprietary right over the word 'BANYAN' as it is a generic word. BTHL cannot claim monopoly on the word.

[53] The learned author, Teo Bong Kwang in his book *"Trade Mark Law and Practice in Malaysia"* at p. 178, says:

> Common or descriptive words are not to be monopolized by any trader unless their proprietors can show that these words have acquired secondary meanings distinctive of them.

In the present case, BTHL has failed to show that the word "BANYAN" has acquired secondary meaning distinctive of BTHL.

[54] On this same issue, Lord Shaud in *Cellular Clothing Co. Ltd. v. Maxton & Murray* [1989] AC 326 at p. 339, held as follows:

> If a person employing a word or term of well-known signification and in ordinary use – though he is not able to obtain a patent for his manufacture, and although he has not got the protection of a registered trade-mark for the goods he is proposing to sell - is yet able to acquire the right to appropriate a word or term in ordinary use in the English language to describe his goods, and to shut others out from the use of this descriptive term, he would really acquire a right much more valuable than either a patent or a trade-mark; for he and his successors in business would gain the exclusive right, not for a limited time as in the case of a patent, but for all time coming, to use the word as applicable to

> goods which others may be desirous of manufacturing and are entitled to manufacture and sell as much as he is. That being so, it appears to me that the utmost difficulty should be put in the way of any one who seeks to adopt and use exclusively as his own a merely descriptive term.

[55] It is also interesting to note that Lord Ordinary in the same case *(Cellular Clothing Co. Ltd.) (supra)* has made the following observation:

> I do not myself remember a case in which the use of a merely descriptive name has been interdicted as deceptive, unless in circumstances which truly involved fraud on the part of the user.

(The above observation was cited and adopted by Tan Ah Tah J in *McAlister & Co. Ltd. v. Pasuma (1960) Ltd & Ors* [1961] 1 LNS 63).

[56] There are in fact many other companies in Malaysia that uses the word 'BANYAN' as set out in the list of companies through a search conducted at the Companies Commission of Malaysia. There are approximately 51 companies that uses the name 'BANYAN' that is not related to BTHL. Some examples include Banyan Enterprise Sdn Bhd, Banyan Housing Development Sdn Bhd, Banyan Leisure Sdn Bhd, etc.

[57] There are also other reputable property developers in Malaysia that uses the name "BANYAN" as part of the name for its housing development. Some examples include Malton Berhad and Bukit Rimau Development Sdn Bhd with the development called "Sri Banyan 2" in the Klang Valley, WCT Land Berhad with the development called "d'Banyan Residency @ Sutera" in Sabah and a condominium in Cheras known as "Puncak Bayan Condominium".

[58] In the case of *Mun Loong Co. Sdn Bhd v. Chai Tuck Kin* [1982] CLJ 80; [1982] CLJ (Rep) 590 at p. 596, Mohamed Azmi J (as he then was) said:

> Similarly, in the present case, I find the words "Mun Loong" are known Chinese words meaning "a lot of prosperity" or "plenty of prosperity" (see evidence of DW1 Mr. Ho Wai Kong – a retired court interpreter). According to the evidence, it is an auspicious name, which, in my view, should not be monopolised by any particular company or person. In fact, according to the

A defendant, that was the reason why he chose the name. Indeed, from the 1979 Chinese telephone directory (Exhibit D4), eleven trading institutions were listed with the name "Mun Loong", notwithstanding plaintiff company's argument that they are interested in the words "Mun Loong" only in English but not in
B Chinese characters. Amongst other things, it is the common objective of all business enterprise to be prosperous and, in the absence of evidence that the defendant is dishonest in adopting that name, I see no good reason why the defendant or other businessmen should not trade under the name "Mun Loong". It is not a fanciful name created by the owners of plaintiff company;
C nor is it their surname.

[59] Similarly in the present case, the word 'BANYAN' denotes a tree which is viewed as a mystical tree that is the bridge between Heaven and Earth. It is a symbol of serenity, wisdom,
D longevity and resilience. It evokes a luxurious and unique concept-lifestyle of living in harmony with nature amidst a serene and exclusive prestigious development. Its symbolic meaning therefore inspired ASSB to name its Project "TAMAN SRI BANYAN, COUNTRY HEIGHTS" and design ASSB's mark in the way it is
E to capture ASSB's vision and object to create a premier and elegant residential estate that blends into a natural environment of tranquilizing landscapes and surroundings. (Refer to web pages from the free online encyclopedia website en.wikipedia.org containing the meaning of 'Banyan').

F **[60]** The same decision was arrived at in the case of *Bata Ltd. v. Sim Ah Ba & Ors* [2006] 3 CLJ 393 CA, where the Court of Appeal held *inter alia* that:

The word 'POWER' was in fact a generic and common word,
G and the appellant was not entitled to use it exclusively since the appellant had to rely on the disclaimed word to distinguish its goods. Upon a close scrutiny of the features of the appellant's trade mark, there could be no dispute that the word 'POWER' was the prominent feature. The device only played a secondary
H role. When the disclaimed word was the hallmark of the appellant's trade mark and the other feature was just there to enhance it, then it could not be said that the word 'POWER', taken with the other feature as a whole, distinguished the appellant's goods. The word 'POWER' was the domineering feature and without this word (or this being substituted), the
I appellant's trade mark would not be distinctive of the appellant's goods.

[61] The court will now consider the general recollection test to determine whether ASSB's mark nearly resembles BTHL's mark and is likely to deceive or cause confusion among the consumers. The Federal Court in the case of *M.I. & M. Corporation & Anor v. A. Mohamed Ibrahim* [1964] 1 LNS 105, held that the general recollection test is to be applied having regard to the sort of people who would buy the goods in question and circumstances in which they buy.

[62] In that case *(M.I. & M. Corporation)*, Thompson LP held:

> The question is not whether if a person is looking at two Trade Mark side by side there would be a possibility of confusion; the question is whether the person who sees the proposed Trade Mark in the absence of the other Trade Mark, and in view only of his general recollection of what the nature of the other Trade Mark was, would be liable to be deceived and to think that the Trade Mark before him is the same as the other, of which he has a general recollection.

[63] The same principle of 'general recollection' was applied in the case of *Consitex S.A (supra)* where this court held:

> In the present case, the consumers purchasing the plaintiff's goods are members of the public who are in the "upper income bracket", are literate and consumers who practice extreme care during their purchases due to the value of the goods in question. They cannot be likened to grocery shoppers who are rushing to choose goods of a shelf filled with various trade marks. Customers who purchase clothing generally have time on their hands and are not rushed to make a decision and thus, these type of customers have an increased degree of attention to the trade mark attached to the clothing.

[64] Similarly, in the present case, it is likely that customers who propose to purchase banglo or semi-detached houses which cost millions of ringgit would take a long time and do lots of research before they decide to purchase the house. It is highly improbable that any purchaser would agree to purchase ASSB's houses thinking they are connected or associated with BTHL.

A **Surrounding Circumstances**

[65] The surrounding circumstances should also be taken into account when determining whether the mark is 'likely to deceive or cause confusion'. (See: *Re Pianotist Co's Application (supra)*). The factors to be taken into consideration are as follows:

B

(a) the manner of use of the marks in the marketplace;

(b) the channels of distribution;

C (c) the targeted market; and

(d) the characteristics of an average consumer.

(See also: *Consitex SA. v. TCL Marketing Sdn Bhd (supra)*; *Bata Ltd. v. Sim Ah Ba & Ors (supra))*.

D

[66] In the present case, ASSB and BTHL are engaged in very different industries in Malaysia. ASSB is in the residential housing development industry while BTHL is mainly in the hotel and resorts industry. The name 'TAMAN SRI BANYAN, COUNTRY E HEIGHTS' is used by ASSB as the name of the residential area in which it is currently undertaking a housing development project. Thus, it is in a different market altogether.

[67] BTHL has claimed that they have substantial goodwill and F reputation in respect of property and real estate related services in Malaysia. With respect, the court finds that the statement is misconstrued due to the followings:

(a) firstly, it must be noted that BTHL does not have any trade mark registration in Malaysia in respect of 'housing G development' under Class 37;

(b) secondly, all the documents exhibited by BTHL in its affidavits that show the use of BTHL's mark in Malaysia are mainly pertaining to the industry of hotel, resorts and spas;

H

(c) the very few documents exhibited by BTHL purportedly on 'property and real estate related services' are two articles in certain architectural publications. The first article talks about the traditional Balinese, Javanese and Thai architecture and I interior design of BTHL's Bintan spa resort in Indonesia. The second article talks about BTHL's hotel and spa in Bangkok.

These articles are not relevant to show BTHL's goodwill and reputation in the housing development industry and there is also no evidence to show that these articles are circulated in Malaysia;

(d) BTHL also produced certain documents on its "BANYAN TREE PRIVATE COLLECTION" and "BANYAN TREE RESIDENCES" projects. Those documents itself show that those documents are not relating to the use of BTHL's mark in Malaysia. Further, the so called 'property related services' provided by BTHL are very different from the 'goods' that ASSB is selling;

(e) a Design Services Agreement and Interior Design Services Agreement exhibited by BTHL are agreements to employ a Singapore company called Banyan Tree Hotels & Resorts Pte Ltd as architect and interior designer for a Banyan Tree branded resort. The location of the resort has been deleted by BTHL. There is nothing in the agreement to suggest that the resort or any of the parties are from Malaysia. Further, designing a resort is very different from developing a residential housing project which is what ASSB provides;

(f) promotional brochures of "BANYAN TREE PRIVATE COLLECTION", which is actually an asset-backed Destination Club that offers membership to the public to stay at any of BTHL's resorts. This is very different from developing a residential housing project which is what ASSB provides;

(g) promotional brochures, questions and answers and Term Sheet of "BANYAN TREE RESIDENCES" which is actually an investment scheme in Villa, Townhouse or Apartment with annual returns of rental income and 60 days complimentary use every year. Again, this is very different from selling banglo or semi-detached houses in a residential area where the owner is likely to stay there as a home which is what ASSB provides.

[68] None of the documents exhibited by BTHL show that BTHL has used its mark pertaining to the industry of housing development in Malaysia. On the other hand, ASSB has been using its mark to market their housing project since 2006.

[69] In the Court of Appeal case of *Lim Yew Sing v. Hummel International Sports & Leisure A/S* [1996] 4 CLJ 784 at p. 785, Mahadev Shanker JCA said:

> To be a trade mark here, a mark has to be distinctive of the goods of its proprietor in the course of trade, in the Malaysian market alone.
>
> For that purpose, foreign markets are wholly irrelevant, unless it could be shown that goods have in fact been sold in this country with a foreign mark on them and that the mark so used had thereby become identified with the manufacturer of the goods.

[70] In *McLaren International Ltd v. Lim Yat Meen* [2008] 1 CLJ 613 at pp. 625-626, the Court of Appeal held:

> So long as the appellant had yet to use it here prior to the respondent's registration he had every right to act as he did. There was no necessity for the respondent to do the impracticable like scouring the globe and enquiring from those carrying that name or trade name whether they intended to come to Malaysia and register the mark here. A faultless respondent need not have to step aside and fold up his business, merely because some foreign company had made radical demands on the Registrar of Trade Mark.

[71] In the Court of Appeal case of *Meidi (M) Sdn Bhd v. Meidi-ya Co. Ltd, Japan & Anor* [2008] 1 CLJ 46 at p. 64, the court held:

> The fact that the same was used in Japan and in other parts of the world is immaterial for 'trade mark law is very territorial in many aspects'.

[72] In the present matter, BTHL failed to show that the BTHL's mark is used in Malaysia for housing development which is under Class 37. Thus, BTHL does not have any goodwill and reputation in Malaysia in the housing development industry. The use of ASSB's mark in the housing development industry could not have caused any likelihood of confusion in the public.

[73] Further, the manner of use of the marks in the marketplace, the channels of distribution and the targeted market of ASSB and BTHL are also very different. Therefore, there is no likelihood of confusion or deception in the public.

[74] ASSB is using the name 'TAMAN SRI BANYAN, COUNTRY HEIGHTS' as the name of the housing area in Kajang. The use of the mark is to denote this project and this project alone. ASSB's target market is house-owners who want to purchase banglo or semi-detached houses within a gated community in a residential area which will likely be used as a place of residence. However, BTHL's own documents would show its purported involvement in the property sector is mainly designing of hotels or resorts or investments schemes where the customers are likely to stay there temporarily for a vacation.

[75] ASSB sells banglo and semi-detached houses whereas BTHL are dealing with hotels, resorts, apartments, townhouses and villas. ASSB and BTHL goods are not in direct competition. BTHL uses Balinese, Javanese & Thai architecture whereas ASSB uses contemporary designs as stated in its brochure.

[76] In *Lim Yew Sing v. Hummel International Sports & Leisure A/S* [1996] 4 CLJ 784 at p. 797, Mahadev Shanker JCA said:

> The element of confusion comes in when goods belonging to two different proprietors with similar marks are competing in the same market in the course of trade.

[77] Under the circumstances, the court is satisfied that the surrounding circumstances show that there is no likelihood of confusion that would arise from the use of ASSB's mark. Therefore, the question of ASSB's mark infringes BTHL's mark does not arise.

Passing-Off

[78] BTHL filed a counter-claim against ASSB and OSK Property for passing-off and asked for a permanent injunction as one of the reliefs.

[79] The law on the tort of passing-off as laid out in *Erven Warmink BV and Other v. J Townend & Sons (Hall) Ltd and Other* [1979] 2 All ER 927 HL has been adopted by Malaysian Courts.

(see: (a) *Seet Chuan Seng & Anor v. Tee Yih Tia Food Manufacturing Pte. Ltd.* [1994] 3 CLJ 7; and referred also in the English House of Lords case of (b) *Reckitt & Colman Products v. Borden Inc.* [1990] 1 All ER 873).

[80] For an action of passing off to be successful, the following criteria needs to be satisfied, namely:

(a) there must be goodwill in the plaintiff's mark;

(b) there must have been a misrepresentation by the defendant leading to confusion or deception; and

(c) as a result of the misrepresentation, the plaintiff have suffered or is likely to suffer damages.

(see: *Service Master (M) Sdn. Bhd. v. MHL Service Master Sdn Bhd & Anor* [1998] 1 CLJ 459).

[81] As demonstrated above, BTHL does not have goodwill and reputation in the industry of housing development in Malaysia. Hence, BTHL failed to fulfil the first criteria required to prove passing off. On the contrary, it is ASSB that possesses goodwill and reputation in the industry of housing development in Malaysia.

[82] Secondly, due to the fact that ASSB's mark and BTHL's mark are substantially different as set out above, there is no likelihood of confusion or deception among the public in Malaysia. BTHL has failed to show any evidence that there has been incidence where confusion or deception has arisen among members of the public that the ASSB's housing development project is done by BTHL or any company associated with it. There is also no incidence where the general public believes that ASSB is in some way connected to or associated with BTHL as a result of the use of ASSB's mark. The general public has not been misled in any way.

[83] Further, the industry and the target market group of ASSB and BTHL are also different. If there was an intention to deceive the public, ASSB would have chosen to target the same segment of the market and would have chosen a substantially similar or almost identical trade mark to that of BTHL.

[84] On the contrary, ASSB has set out prominently in all their promotional materials that the project is developed by the companies within the OSK Property Group and not BTHL's group of companies.

[85] In reality, ASSB is actually relying on the goodwill of its group of companies, namely the OSK Property Group and not BTHL in any manner in its promotional activities of the project. Due to the goodwill of the OSK Property Group, the public has come to associate ASSB's mark with ASSB exclusively and not to BTHL.

[86] Further as explained above and in the *Consitex* case, it is likely that customers who propose to purchase banglo or semi-detached houses which costs millions of ringgit would do lots of research including finding out the background of the developer before they decide to purchase the house. Based on the research, it is highly unlikely that any purchaser would think that there is a trade connection between ASSB and BTHL.

[87] The court finds that there is no deception on the part of ASSB in the present matter. As mentioned earlier, ASSB invented the ASSB's mark independently without any reference to BTHL. ASSB invented the mark 'TAMAN SRI BANYAN, COUNTRY HEIGHTS and device' based on the fact that there were Banyan trees in the vicinity of the project and also because of the symbolic meaning of 'Banyan trees'. Further, the OSK Property Group has always named their projects or houses in their projects after the names of trees and plants as stated above.

[88] Under the circumstances, the court is of the view that the public will not be confused or deceived into thinking that there is a business and trade connection between ASSB and BTHL. Thus, there will also be no damage or likelihood of damage on the part of BTHL with the use of ASSB's mark especially when ASSB and BTHL have different fields of activities.

[89] The fact that 'BANYAN' is a common English word, case law shows that a heavy burden of proof lies on BTHL to show misrepresentation or false representation on the part ASSB in order to succeed in a passing off action. In the case of *Office Cleaning Services Ltd v. Westminster Window & General Cleaners Ltd* [1946] 63 RPC 39 at p. 43, Lord Simonds said:

> "It comes in the end, I think, to no more than this, that where a trader adopts words in common use for his trade name, some risk of confusion is inevitable. But that risk must be run unless the first user is allowed unfairly to monopolise the words. The Court will accept comparatively small differences as sufficient to

avert confusion. A greater degree of discrimination may fairly be expected from the public where a trade name consists wholly or in part of words descriptive of the articles to be sold or the services to be rendered." Similarly in our present matter, the vast differences between ASSB's mark and BTHL's mark would definitely be sufficient to avert confusion.

[90] The Court of Appeal in the case of *Bata Ltd. v. Sim Ah Ba & Ors* [2006] 3 CLJ 393 CA at pp. 410 and 411, and the High Court in the case of *Mun Loong Co. Sdn Bhd v. Chai Tuck Kin* [1982] CLJ 80; [1980] CLJ (Rep) 590, had held that no trader is entitled to have monopoly over a common word unless that word had acquired a secondary meaning that is distinctive of the company and to no other.

[91] In the present case, any secondary meaning that BTHL may have acquired, is in respect of the mark as a whole (the word 'BANYAN' together with the device) and not the word 'BANYAN' *per se*. At no time did BTHL claim that the word 'BANYAN' *per se* has a secondary meaning. BTHL's own documentary evidence shows BTHL had always used BTHL's mark as a whole and BTHL had never used the word 'BANYAN' *per se* in the course of its trade to denote the source of its goods or services. As such, the word 'BANYAN' *per se* is not distinctive of BTHL and had not acquired any secondary meaning.

[92] BTHL claimed that the Singapore High Court case of *Amanresorts Limited & Anor v. Novelty Ptd. Ltd.* [2007] SGHC 201 is a case directly on point with the present case and the same decisions should be arrived at. In the *Amanresorts* case, the court granted an injunction to injunct the use of the mark 'Amanusa', 'Aman' and other marks that belongs to the plaintiff.

[93] One of the reasons the court ruled that there is passing off is that the plaintiff in the *Amanresorts* case will suffer likelihood of damage in the form of dilution of their trade mark. This was the same argument raised by BTHL in BTHL's submissions. After considering the said case, the court finds that the concept of trade mark dilution was introduced to Singapore on 1 July 2004 when the Singapore Trade Marks Act was amended. However, the same amendment had not been made in Malaysia. As such, the decision in the *Amanresorts* case on dilution of trade mark cannot be applied in toto to the present matter.

[94] Section 55 of the Singapore Trade Marks Act provides:

> (3) Subject to subsections (6) and (7), the proprietor of a well known trade mark shall be entitled to restrain by injunction the use in Singapore, in the course of trade and without the proprietor's consent, of any trade mark which, or an essential part of which, is identical with or similar to the proprietor's trade mark, in relation to any goods or services, where the use of the trade mark …
>
> (b) if the proprietor's trade mark is well known to the public at large in Singapore:
>
> (i) would cause dilution in an unfair manner of the distinctive character of the proprietor's trade mark …

Allegation Of Well-Known Trade Mark

[95] BTHL has also claimed that the BTHL's mark is entitled to the protection accorded to a well known mark as provided under the Paris Convention, TRIPS Agreement and s. 70B of the Trade Marks Act 1976.

[96] Section 70B(1) of the Act provides:

> (1) The proprietor of a trade mark which is entitled to protection under the Paris Convention or the TRIPS Agreement as well-known trade mark is entitled to restrain by injunction the use in Malaysia in the course of trade and without the proprietor's consent of the trade mark which, or the essential part of which, is identical with or nearly resembles the proprietor's mark, in respect of the same goods or services, where the use is likely to deceive or cause confusion.

[97] With respect, the court finds that BTHL's mark is not a well-known mark in Malaysia as they failed to fulfil the criteria set out in reg. 13B of the Trade Marks Regulations 1997. Among the criteria set out in reg. 13B of the Regulations are as follows:

(a) the degree of knowledge or recognition of the mark in the relevant sector of the public;

(b) the duration, extent and geographical area of any use of the mark;

A (c) the duration, extent and geographical area of any promotion of the mark, including advertising or publicity and the presentation, at fairs or exhibitions, of the goods or services to which the mark applies;

B (d) the duration and geographical area of any registrations, or any applications for registration, of the mark to the extent that they reflect use or recognition of the mark;

(e) the record of successful enforcement of rights in the mark, in particular, the extent to which the mark was recognized as C well-known by competent authorities;

(f) the value associated with the mark.

[98] BTHL has not produced any evidence or survey reports to show the extent of recognition the BTHL's mark has in Malaysia. D There is no record of successful enforcement of rights produced or did BTHL provide any information as to the value associated with the BTHL's mark other than producing some brochures and agreements.

E **[99]** Section 70B of the Act provides that the proprietor of a well-known trade mark is entitled to restrain by injunction the use in Malaysia of a trade mark where:

(a) the trade mark, or the essential part of the trade mark, is F identical of resembles the well-known mark;

(b) the use complained of is in respect of the same goods or services; and

(c) the use complained of is likely to deceive or cause confusion.

G **[100]** In the present case, even if BTHL's mark is a well known mark, BTHL will not succeed in its claim against ASSB because the use of ASSB's mark in Malaysia is not in respect of the same goods or services as that of BTHL. In Teo Bong Kwang, *Trade Marks Law & Practice in Malaysia,* at pp. 288-289, it was stated:

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> Under the 2000 Amendment Act, it is made clear that the right to seek injunction applies irrespective of whether the proprietor of the well-known mark has carried on business or has any goodwill in Malaysia … However such benefits are only available to use I of an offending mark in respect of the same goods or services as that of the plaintiff. These provisions are of no use if the use of the offending mark is in respect of different fields of activities. Arguably, under such circumstances, the usual principle of proving local goodwill still applies.

[101] In the present case, it has been explained earlier that there are substantial differences between ASSB's and BTHL's marks. The use of ASSB's mark is also in respect of different field of activities. Thus, there is no likelihood of deception and confusion.

[102] Therefore, the court is of the view that based on the above, BTHL is not entitled to obtain the permanent injunction that it has prayed for. If the injunction is granted, ASSB will suffer hardship, severe losses and much prejudice.

[103] In any event, the question of whether BTHL's mark is well-known or not is irrelevant in determining the question of trade mark infringement or passing off in the present matter. This is because even if BTHL's mark is well-known, ASSB would not have committed trade mark infringement or passing off as there is no confusion or likelihood of confusion since both marks are different.

[104] There will be no false impression given that "TAMAN SRI BANYAN" development is related or connected to BTHL or that the development has BTHL's endorsement or that BTHL is involved as developers as both marks are so different that it cannot be considered as a confusingly similar mark.

Conclusion

[105] In conclusions, the court finds that there is no trade mark infringement and no passing off with the use of ASSB's mark for the following reasons:

(a) BTHL had not proven that the word 'BANYAN' *per se* which is a common and generic word is distinctive of BTHL alone;

(b) there are clear distinctions between the two marks when compared;

(c) due to the clear distinctions, ASSB's mark does not so nearly resembles BTHL's mark and is not likely to deceive or cause confusion;

(d) BTHL failed to show any instances of confusion with the use of both the marks. The vast differences in both the marks are sufficient to avert confusion;

(e) ASSB's mark was created independently by ASSB without any reference to BTHL. ASSB has given good reasons as to how they coined the mark. ASSB had always used the names of trees and plants in their previous development. It does not matter whether the names are used for houses *per se* or for the entire housing development. This shows that ASSB always liked the concept of trees and plants;

(f) ASSB's promotional materials contain the mark 'OSK' which shows that ASSB is relying on the goodwill and reputation of the OSK Property Group of Companies and not taking advantage of BTHL's goodwill as claimed;

(g) there is no misrepresentation caused to the public which will cause likelihood of confusion with the use of ASSB's mark;

(h) consequently, no damage or likelihood of damage will be caused to BTHL;

(i) all the surrounding circumstances show that there is no passing off;

(j) BTHL is not entitled to the protection of a well-known mark. In any event, the question of well-known mark is irrelevant in the present matter as both ASSB and BTHL's marks are different; and

(k) BTHL has no goodwill and reputation in the field of housing development.

[106] By reason of the aforesaid, the court rules that a declaration of non-infringement should be granted in favour of ASSB. The declaration would only clarify that ASSB's mark does not infringe BTHL's mark. It does not give ASSB any additional rights. There is no passing off or trade mark infringement by ASSB and OSK Property with the use of ASSB's mark. Therefore, the court rules:

(a) a declaration of non-infringement as prayed by ASSB be granted with costs; and

(b) BTHL's counter claim be dismissed with costs.